

October 20, 2008

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Via Electronic Filing

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Wireline Competition Bureau Applications
P.O. Box 979091
St. Louis, MO 63197-9000.


**Re: Application of TDS Telecommunications Corporation and State Long Distance
Telcom, Ltd. For Consent To Transfer Domestic 214 Authority held by State
Long Distance Telephone Company (WCB Docket No. 08-212)**

Dear Ms. Dortch:

On behalf of TDS Telecommunications Corporation ("TDS Telecom") and State Long Distance Telcom, Ltd. ("SLD"), I enclose the original of a Supplement to the above-referenced Application To Transfer Control of the Domestic Section 214 Authority held by State Long Distance Telephone Company, a wholly owned subsidiary of SLD, to TDS Telecom filed on October 2, 2008.

In the event that there are questions concerning the Supplement on application, please contact the undersigned.

Very truly yours,


Peter M. Connolly

Enclosures

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Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Room TW B204
Washington, DC 20554

RE: Application of TDS Telecommunications Corporation and State Long Distance Telecom, Ltd For Consent To Transfer Domestic 214 Authority Held By State Long Distance Telephone Company WCB Docket No. 08-212

Dear Ms. Dortch:

At the request of the Wireline Competition Bureau ("WCB"), and on behalf of TDS Telecommunications Corporation ("TDS Telecom") and State Long Distance Telecom, Ltd ("SLD"), this will supplement the information provided in the above-captioned application. We have been asked to answer a question regarding SLD and to demonstrate that the acquisition of SLD's subsidiary State Long Distance Telephone Company ("State LD") by TDS Telecom will not result in any harm to competition, and will in fact promote competition, as well as yielding other public interest benefits.

With respect to SLD, this will confirm that it does not provide any telecommunications service independently of State LD.

Competitive Showing

1. Other Approvals.

The transaction does not require approval by either the Department of Justice or Federal Trade Commission pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976 because of its small size. Nor does it require prior approval by the Wisconsin Public Service Commission ("WPSC"). A notification will be filed with the WPSC after its consummation.

2. Wisconsin ILEC/CLEC Information.

The above-referenced application, at page 6, provides complete information regarding the impact of the proposed acquisition of State LD by TDS Telecom on wireline competition in the State of Wisconsin. Upon consummation of this transaction, TDS Telecom will serve approximately 318,351 ILEC access lines (including access line equivalents) in Wisconsin, or approximately 13.4 percent of the ILEC access line equivalents, and 21.69 percent of the total access lines, including CLEC access lines, in the state. Most importantly, this transaction will result in increases of only .5 percent in ILEC access line equivalents and .39 percent in total access lines respectively held by TDS Telecom in the State of Wisconsin. Thus, as is noted in the application, this transaction will have essentially no impact on wireline competition in Wisconsin. This lack of impact is reflected in the non-applicability of the Hart-Scott-Rodino Antitrust Improvements Act to the transaction.

3. TDS Telecom/USCC Relationship.

As is discussed in the application, United States Cellular Corporation ("USCC"), another subsidiary of TDS Telecom's parent company, Telephone and Data Systems, Inc. ("TDS"), provides wireless service, through cellular and PCS authorizations, in fifty-two Wisconsin

counties, including Walworth County, the location of State LD's Elkhorn exchange. In theory, the purchase of State LD by a company under common ownership with one of State LD's wireless competitors might raise a competitive concern. However, in practice, there is no such concern.

TDS Telecom and USCC operate entirely separately. USCC is headquartered in Chicago, Illinois and TDS Telecom in Madison, Wisconsin. They have no common employees and use entirely separate facilities. They brand their services independently, and use separate billing services. Though commonly owned, the two companies view themselves as competitors, and have even taken opposed positions in certain FCC proceedings, particularly those related to universal service.

It is difficult to "prove a negative" but TDS Telecom hereby represents that it has never consulted with USCC on rates or any other competitively sensitive issue. Moreover, the intrastate rates of "rate of return" telephone carriers are set by state public service commissions, such as the WPSC, and their intrastate rates are ultimately determined by the FCC or are set as a consequence of FCC rulings. Wireless rates are not regulated.

We would also note that TDS Telecom and USCC are not now engaged in any form of joint marketing, which is permissible under FCC rules and policies. For example, AT&T, which offers both wireless and wireline service in Walworth County, has a pricing program in the county which allows an AT&T Wireless customer to call another AT&T customer, whether wireless or wireline, without the call being charged against his or her "minutes of use." TDS Telecom and USCC have no such arrangements, nor do they offer any other type of "bundling" arrangement now common among commonly owned wireless and wireline carriers.

Thus, the common ownership between State LD and USCC will not pose even a theoretical threat to competition.

4. Local Telecom Competition Is Vibrant in Walworth County.

Even if TDS Telecom and USCC were to attempt to pursue an anti-competitive strategy, local telecommunications competition would preclude it. To begin with, though no CLECs provide service in Elkhorn, Walworth County, including Elkhorn, is served by seven cellular and PCS licensees, including Sprint Nextel, T-Mobile, Verizon Wireless, AT&T, Airadigm Communications, and Alltel, as well as USCC. Moreover, the newly licensed AWS, WCS and Lower Band 700 MHz licensees authorized to serve Walworth County include T-Mobile, Spectrum Co, Cricket, Denali Spectrum, Verizon Wireless, Redwood Wireless, Nextware, and AT&T. See Attachments A, B and C hereto.

In such a competitive environment, where wireline carriers are daily losing customers to wireless carriers as a result of the ubiquitous phenomenon of "wireless substitution,"¹ any attempt to raise prices by collusion between a wireless and a wireline carrier would be futile and self defeating.

There are also additional telecommunications alternatives are available to the people of Walworth County besides wireless and wireline carriers. According to Television and Cable Factbook, cable's authoritative industry guide, Elkhorn is served by cable providers Time Warner

¹ See In the Matter of Implementation of Section 6002(5) of the Omnibus Budget Reconciliation Act of 1993 Annual Report and Analysis of Competitive Market Conditions with Respect to Commercial Mobile Services, Twelfth Report, 23 FCC Record 2241 (2008), ¶246 ("...[W]ireless substitution has grown significantly in recent years. Between the end of 2001 and 2006, total RBOC access lines dropped 23 percent, from 166 million to 124 million lines. In 2008 alone the RBOC's lost almost 7 percent of their wireline access lines, with wireless substitution being a significant reason.")

Cable, Mediacom, and Charter Communications.² However, the Time Warner website indicates that it does not now serve Elkhorn and that Charter Communications is the cable provider in Elkhorn. Both Time Warner and Charter Communications offer both high speed Internet access and telephone service in the service area which includes Walworth County.³ Finally, anyone in Elkhorn with a high speed Internet connection obtained from Charter Communications can of course purchase telephone service from Vonage or other VoIP providers. End users therefore have the capability to obtain wireline-based voice telephone service completely independent of State LD.

In short, it is undisputed that telecommunications competition is flourishing in Walworth County, including Elkhorn, and that the number of potential competitors of State LD has increased and will continue to increase.

5. TDS Telecom Will Improve State LD's Competitive Position.

Since its inception in 1969, TDS Telecom's successful business strategy has been to purchase well run local telephone companies and build on their existing strengths, while upgrading the facilities of those companies. A holding company such as TDS Telecom can offer management expertise and economies of scale and scope to local telephone companies, which can be vital in the ever more competitive environment referred to above.

TDS Telecom will make the necessary investments to make State LD a stronger competitor, able to deal with the vigors of the 21st century marketplace. TDS Telecom will invest in State LD's facilities in the Elkhorn exchange, focusing on improving the speeds and

² 2008 Television and Cable Factbook, pp. D-1640, D-1652, and D-1638.

³ Ibid, pp. D-1640, D-1638. At present, however, we believe that only high speed Internet access is available in Elkhorn, through Charter Communications. However, we would expect that Elkhorn would soon be able to obtain the type of cable telephone service through those companies available in neighboring communities.

reliability of State LD's broadband Internet access. It anticipates being able to offer a range of data products, with speeds up to 10 Mbs, as well as increasing available bandwidth.


TDS Telecom will also enhance State LD's services to the business community in Elkhorn. It plans to offer a dedicated Internet product called Symmetrical Dedicated Internet ("SDI"), which would offer speeds ranging as high as 3 Mbs up to 45 Mbs. TDS Telecom believes this product would be ideal for medium to large businesses which have large upload and download requirements. One important future business for all LECs will be this type of large scale data transmission. TDS Telecom, through State LD and its other companies, plans to develop this aspect of its business, as well as maintaining the highest quality voice service.

TDS Telecom stands by its record as a provider of high quality local telephone service and would carry on that tradition in Elkhorn.

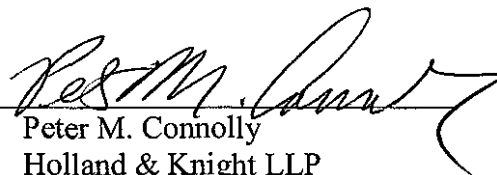
CONCLUSION

For the foregoing reasons and those provided in the application, we submit that this transaction will enhance local competition and accordingly, we ask that this application to transfer State LD's "Domestic 214" authority be approved.

Very truly yours,



John B. Adams
The Adams Legal Firm, LLC
Counsel to State Long Distance Telcom, Ltd



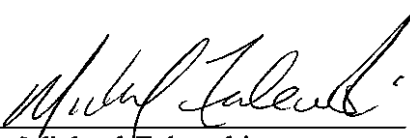
Peter M. Connolly
Holland & Knight LLP
Counsel to TDS Telecom

TDS Telecommunications Corporation Declaration

I, Michael Zalewski, Vice President of Business Development, TDS Telecommunications Corporation ("TDS Telecom"), certify that the information in the foregoing Supplement as it pertains to TDS Telecom is true and correct to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 17 day of October, 2008



Michael Zalewski

State Long Distance Telcom, Ltd. Declaration

I, Jerry Guetschow, Secretary and Treasurer, State Long Distance Telcom, Ltd. ("SLD"),
certify that the information in the foregoing Supplement as it pertains to SLD is true and correct
to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 16th day of October, 2008



Jerry Guetschow

ATTACHMENT A

PCS, Cellular, and SMR Licensees Covering Walworth Co., WI

County	County FIPS	Overlap MTA	Overlap BTA	Overlap CMA	PCS A Block Licensee(s)	PCS B Block Licensee(s)	PCS C Block Licensee(s)	PCS D Block Licensee(s)	PCS E Block Licensee(s)	PCS F Block Licensee(s)	Wireline Cellular Licensee(s)	Non-Wireline Cellular Licensee(s)	SMR Licensee(s)
Walworth County, WI	55127	020 - Milwaukee	216 - Janesville-Beloit, WI	716 - Wisconsin RSA #9	Wirelessco [S] (20MHz) T-Mobile License [T] (10MHz)	Verizon Wireless [V] (20MHz) Milwaukee SMSA Limited Partnership [A] (10MHz)	Airadigm Communications [AD] (30MHz)	Milwaukee SMSA Limited Partnership [A] (10MHz)	MVI Corp. d/b/a ALLTEL [AT] (10MHz)	Verizon Wireless [V] (10MHz)	Milwaukee SMSA Limited Partnership [A] (10MHz)	United States Cellular Operating Comp. [U]	Nextel License Holdings [S]

Owner Suffix Key
[A] - AT&T
[AD] - Airadigm Communications
[AT] - Alltel Communications
[S] - Sprint Nextel
[T] - T-Mobile
[U] - United States Cellular
[V] - Verizon

ATTACHMENT B

AWS and Lowerband 700 MHz Service Licensees Covering Walworth Co., WI

County	County FIPS	Overlap BEA	Overlap REA	Overlap CMA	AWS A Block Licensee (CMA based)	AWS B Block Licensee (BEA based)	AWS C Block Licensee (BEA based)	AWS D Block Licensee (REA based)	AWS E Block Licensee (REA based)	AWS F Block Licensee (REA based)	700 MHz Lowerband C Block Licensee
Walworth County, WI	55127	063 - Milwaukee-Racine, WI	003 - Great Lakes	716 - Wisconsin RSA #9	T-Mobile License [T]	SpectrumCo LLC [SC]	Cricket Licensee [L]	Denali Spectrum [D]	T-Mobile License [T]	Cellco Partnership [V]	Redwood Wireless [RW]

Owner Suffix Key
[D] - Denali Spectrum
[L] - Leap Wireless
[RW] - Redwood Wireless
[S] - Sprint Nextel
[T] - T-Mobile
[V] - Verizon

ATTACHMENT C

Wireless Communications Service Licensees Covering Walworth Co., WI

County	County FIPS	Overlap MEA	Overlap REA	WCS A Block Licensee (MEA based)	WCS B Block Licensee (MEA based)	WCS C Block Licensee (REA based)	WCS D Block Licensee (REA based)
Walworth County, WI	55127	017 - Milwaukee	003 - Great Lakes	NW Spectrum Co. [NW]	NW Spectrum Co. [NW]	BellSouth Mobile Data [A]	BellSouth Mobile Data [A]

Owner Suffix Key
[A] - AT&T
[NW] - Nextwave Wireless